

STAFF REPORT

To: Council Finance Committee Date: September 29, 2009
From: Ken Putnam, PE, Interim Transportation Director
Via: Gary Jackson, City Manager
Subject: New Fare Structure for Intercity Service - Route 28

The North Carolina Department of Transportation (NCDOT) informed the City in December 2008 that the Intercity funding for routes 28 and 54 (Black Mountain and Weaverville, respectively) would be discontinued effective November 1, 2009 because a recent assessment of the routes determined that they were not compliant with the requirements of Circular 5311 (f).

This assessment was prepared by the Institute for Transportation Research and Education (ITRE) at the request of the NCDOT and it included all of the intercity routes throughout the state.

The main concerns included publishing the scheduled stops at the Greyhound station, partnering with Greyhound, and making meaningful temporal connections to the Greyhound routes arriving and departing from the Asheville Greyhound bus terminal.

These routes are currently fully funded with state funds approved by the NCDOT Board of Transportation until October 31, 2009. Total current funding for Route 28 (Black Mountain) including the funding for Mountain Mobility's Black Mountain Trailblazer is \$287,398 plus a local match of \$37,500 for a total of \$324,898.

The City worked closely with ITRE to develop service options and presented a proposal to NCDOT on July 10, 2009. NCDOT decided to only fund Route 28 (Black Mountain) because of the regional significance of the route. The proposal is pending NCDOT Board of Transportation approval. If approved, the route would be funded through June 30, 2010.

The proposed route would start and end at the Asheville Transit Center and turn into the Greyhound Bus station, inbound and outbound on Tunnel Road. The route would begin by using Tunnel Rd, to I-240 to I-40 and then use Exit 55/Porter Cove Road to US-70 to serve Warren Wilson College. Then the route would continue out US-70 to the towns of Swannanoa and then Black Mountain. The route would return inbound using the same route as it did on the outbound trip. This route would serve a total of six stops and provide a strong intercity connection between limited points east of Asheville and the Asheville Greyhound station. Six trips will be offered to and from Black Mountain. The headway will be 1 hour 45 minutes.

As part of the requirements to consider funding for this route, NCDOT requested the City to reevaluate and increase the revenues. Three options were considered: increase partnerships, increase current partner's participation, and increase fares. Staff approached the Town of Black Mountain, Warren Wilson College, and Ingles. At this time only Black Mountain has committed to increase its participation; staff continues negotiations with Warren Wilson College and Ingles. Route 28 proposed budget is as follows:

Operations	
Cost	Revenue
\$329,056	Route 28 Operations
\$55,000	Trailblazer Operations
\$19,203	Marketing
	\$10,000 Warren Wilson contribution
	\$18,500 Black Mountain contribution
	\$4,000 Buncombe County contribution
	\$20,667 Fare box revenue
	\$53,167 Total revenue
\$403,259	Total Cost
\$350,092	Operations Request

The new fare structure is based on industry standards for Intercity routes and compares with Greyhound fares. The fare proposed for Route 28 is based on \$.10 per mile, which determines two different tiers according to the destination. In addition, City staff is aware of the impact this fare increase will have on commuters and has developed an Intercity monthly pass to offset some of these costs; this source of revenue has to be approved by the North Carolina BOT:

Recommended Fare Changes in Red			
CASH FARE	Adult	Intercity from Asheville to Swannanoa	\$1.50
		Intercity from Asheville to Black Mountain	\$1.75
		Within City	\$1.00
	Discount Pass**	Intercity from Asheville to Swannanoa	\$0.75
		Intercity from Asheville to Black Mountain	\$1.00
		Within City	\$0.50
Monthly	Adult	Intercity	\$55.00
		Within City	\$15.00
	Discount Pass**	Intercity	\$27.50
		Within City	\$7.50
** Discount Passes apply to all seniors 65+, individuals with disabilities, Medicare recipients and students in elementary, middle and high school, ages 6-19			

The growth in ridership observed on Route 28 (64% 2006-2009), as well as on the Black Mountain Trailblazer (27% 2006-2009) since their inception, is a clear indication of the invaluable service these routes are providing to the community. The routes, now in their eighth year of operation, are carrying over 60,000 passengers a year.

Year	Total Ridership	Percent increase
Route 28		
FY2009	55038	31%
FY2008	38216	8%
FY2007	35140	44%
FY2006	19727	
Trailblazer		
FY2009	7815	-1%
FY2008	7892	6%
FY2007	7392	23%
FY2006	5688	

Staff recommends approval of the proposed fare structure in order to keep the subject service in operation.

Staff will be available at the Finance Committee meeting on September 29, 2009 to answer any questions.